



The Honey-pot Children's Charity

Annual Report & Accounts



YEAR ENDING 31ST MARCH 2020

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GENERAL INFORMATION YEAR ENDING 31ST MARCH 2020

CHARITY

The Honeypot Children's Charity
(Registered Charity No. 1011672)

TRUSTEES

Caspar MacDonald-Hall (Chair)
Mary Davis
Laurie Oppenheim
Paddy Grafton Green
Hugh Whitaker
Verne Grinstead
Carl Leighton-Pope (resigned 1st September 2019)
Michael Jolliffe
Michael Steele
Natalie Rebeiz

LEADERSHIP TEAM

Simmi Woodwal (Chief Executive)
Jenny Ray (Director of Operations)
Phil Gellhorn (Director of Finance)
Anthony Cummings (Director of Income and Communications)

ADDRESS

19 Berghem Mews, Blythe Road, London W14 0HN

AUDITORS

Azets Audit Services, Statutory Auditor, Secure House,
Lulworth Close, Chandlers Ford, Southampton, Hants
SO53 3TL

SOLICITORS

Simkins LLP, Lynton House, 7-12 Tavistock Square,
London WC1H 9LT

BANKERS

Barclays Bank PLC, No. 1 High Street, Bracknell
Branch, Berkshire RG12 1D

Conversion to Charitable Incorporated organisation

In early 2019 the trustees made a decision to incorporate the charity; to change the legal status of the charity from a charitable trust to a Charitable Incorporated Organisation (CIO). This was affected on 30 September 2019 and all assets and liabilities were transferred to the new CIO on 30 September 2019. The new CIO is registered with the charity commission under the registration number of 1184132. This annual report and financial statements therefore reflect the activity in the first six months of the year.



Objectives and Activities for The Public Benefit

Our vision is for every child to make the most of their one chance at childhood. We enhance the lives of vulnerable children and young carers aged 5-12 years by providing residential respite breaks and on-going outreach support to:

- Give the children a break from demanding and stressful responsibilities at home.
- Provide a safe and nurturing environment where children at risk can develop their full potential.

WE AIM TO ACHIEVE THIS BY PROVIDING:

- Residential Respite Breaks (2 nights and 3 days) for children and young carers at the Honey Pot House, New Forest, Hampshire and Honey Pot Pen y Bryn in Powys, Wales.

- Continued support through annual Residential Repeat Visits for children and young carers until the age of 12, at the Honey Pot House, New Forest and in Pen y Bryn, Wales.
- Regular outreach support which offers safe, informal educational opportunities and play.
- A maintained and ongoing supportive relationship to the children through birthday cards, photos and Christmas parties.
- Volunteers, who through their enthusiasm and desire to make a difference significantly add to the child's experience.
- Through informal play and organised activities, Honey Pot encourages the children to interact socially with their peers and develop personal skills that will support them throughout life.

A Message from Our Chief Executive: A Year of Successfully Delivering Our Strategic Goals



Over 18 months ago, Honey Pot identified the organisation's strategic goals for the next 5 years. We commenced reporting on progress in achieving these strategic goals in last year's Annual Report and we continue to report progress in this document.

Our strategic goals are:

- Be true to our mission of ensuring each child has their one chance of a childhood.
- Reach and support more children who need our services.
- Increase the range of support services provided for young carers.
- Achieve stable and sustainable income to drive service expansion.
- Utilise Honey Pot Houses more fully to provide services for children all year round.

The information within this Annual Report reflects the progress Honey Pot has made in achieving our Strategic Goals. Key achievements are summarised below.

TRUE TO OUR MISSION: ONE CHILDHOOD, ONE CHANCE

Honeypot stayed focussed on its mission of ensuring all our services created happy childhood memories. This was as true for our new range of services as for our long-established respite breaks.

REACH AND SUPPORT MORE CHILDREN

The UK Government and the BBC estimated the number of young carers in England and Wales as vastly larger than previously thought, at 800,000. Honeypot worked consistently throughout the year to reach and support many more young carers. We pursued this goal primarily by maintaining our position as the 'go-to' organisation for child welfare agencies and schools to refer children most in need for respite breaks and other support services. Honeypot saw the highest number of referrals over the past 12 months from a wide spectrum of child welfare referring partners and Schools in the North and North West, North Wales, the Midlands, Greater London, and the South and South East. We expanded our network to 40+ referring partners over the course of the year.

INCREASE OUR RANGE OF SUPPORT SERVICES

At the heart of Honeypot's services are our much-loved, stress busting, **Residential Respite Breaks**. These were provided from our beautiful houses in the New Forest and Powys Mid-Wales. We gained immense satisfaction by operating residential respite breaks at full capacity in our House in the New Forest and reached full capacity for the first time at our House in Powys.

Over the past year we strengthened our respite break provision with new **Social and Emotional Active Learning (SEAL) Breaks**, which develop children's confidence and self-belief that they can and will succeed in education. We engaged many more children with fun new **Digital Outreach Services** that fostered and enhanced a sense of greater connection between the children and Honeypot and between the children as a mutually supportive peer community.

We commenced planning of a **Welfare Fund** to provide small grants for essential-life items to enable young carers to cope with impactful needs such as a broken washing machine or educational revision materials to help the child to keep supporting themselves and their family. We look forward to reporting the full operation of the Welfare Fund in the future.

STABLE AND SUSTAINABLE INCOME

To achieve more for young carers, Honeypot had to succeed in raising more income from Fundraising over

the past year. Honeypot has pursued a long-term strategy of fostering and maintaining a strong relationship with our long-term committed, multi-year donors.

The past financial year saw 100% renewal of grants and donations from our loyal financial supporters. With this support Honeypot was able to plan and deliver the range of new and existing services described in this report. With an influx of donors that was acquired by a large-scale digital fundraising push and a highly active and engaging community fundraising campaign bringing in further donors to join our committed donors Honeypot was able to secure the income to increase our services.

We wish to especially thank Bank of America, Betty Messenger Foundation, The Tresanton Trust, Pom Trust, Loomis Sayles, Paperchase, St George's and many more.

FULL UTILISATION OF OUR HOUSES

Due to the restrictions on children being released from statutory education during the school week, Honeypot has historically only been able to run residential respite breaks over weekends and school holidays. With the development of our accredited **Social and Emotional Active Learning (SEAL) Breaks**, schools were more willing and receptive to releasing children with poor social and emotional development to Honeypot during term time to participate in our SEAL breaks at Hampshire House.

We also ran **THRIVE** in our House in Powys, similarly, offering an active social and emotional learning programme that schools were keen to send the children most in need. SEAL and THRIVE enabled Honeypot to utilise the Houses throughout the week as well as weekends to support more children over the year.



SIMMI WOODWAL, CHIEF EXECUTIVE

Service Delivery & Outputs April 2019 – September 2019

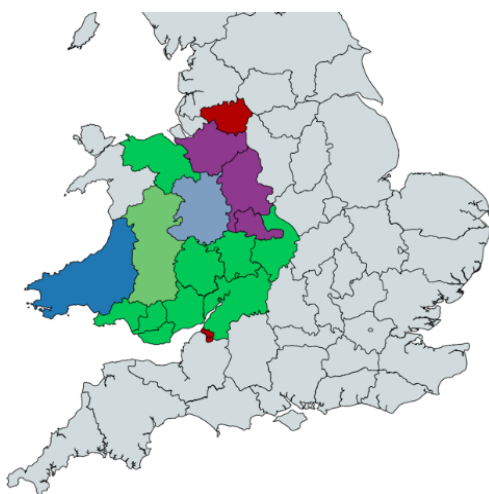
RESPIRE BREAKS

PEN Y BRYN

The period of April 2019 to September 2019 saw Pen y Bryn welcome a total of 417 children through its doors in 36 respite breaks which was an increase of 22% on the same period in 2018.

Work is continuing to promote our services and build relationships with other young carer and referring organisations and as a result a further 154 new referrals were made to Pen y Bryn during this period.

COUNTIES PEN Y BRYN SUPPORT:



HONEYPOT HOUSE, Hampshire saw a record number of children for this period attend respite breaks with a total of 546.

This was due to the restructuring of the respite school holiday breaks to be the same length as weekend breaks, 2 night 3 days, and increasing to supporting 14 children per break instead of 12.

The Hampshire site continues to work with over 230 referring organisations.

COUNTIES HONEYPOT HOUSE SUPPORT:



THRIVE (PEN Y BRYN ONLY)

The Thrive programme that began last year in partnership with a local school continued during this period and 36 children were supported to become more emotionally resilient.

The staff at Honey Pot Pen Y Bryn have been working hard to develop further relationships with other schools which will mean more children benefit from the site and the programme.

OUTREACH

During this period, the outreach sessions were memory making days with visits to theme parks, aquariums, museums and local adventure play parks. The service is continuing to grow, and we plan to develop further links with area specific tourist attractions and hope to engage with some of our corporate partners to fund such days out during the next financial year.

STAFF TRAINING

During this period development of our staff remains high and as a consequence we continue to ensure we provide the highest quality of training in statutory health and safety courses as well as professional and personal development courses.

During the course of the next financial year through our appraisal systems, we continue to ensure that all staff are able to grow personally and professionally with the opportunity to identify training needs and opportunities which will benefit them and the delivery of our ever-growing services.

Service Delivery Impact

SURVEYING HONEYPOT CHILDREN

In order for us to further understand the needs of the children referred to us we have begun to collate data about the responsibilities and impact of caring which in turn has fed into developing our respite programme. The average number of hours the children spend caring is 11 hours per week.

Caring Roles	% of Honeypot children
Cooking	17%
Cleaning	63%
Laundry	29%
Shopping	29%
Minding Siblings	43%
Gardening	11%
Lifting	34%
Assisting with eating and drinking	14%
Dressing	17%
Help with toilet use	6%
Medication	9%
Washing/Bathing	9%
Explaining things	23%
Interpreting	9%
Emotional care	69%
Looking after pets	29%
Booking appointments	3%

Impact	% of Honeypot children
Lacks confidence	46%
Isolation	43%
Stress/worry	71%
Social Deprivation	34%
Self-harm	3%
Physical impact e.g. back problems	3%
Excessive tiredness	23%
Anger	29%
Frustration	17%
Victim of bullying	6%
School absences	9%
Ability to concentrate	9%
Loneliness	23%

Feedback and evaluation are an integral part of how we involve our Honeypot children in developing and improving our services, and as such after every break the children complete a short questionnaire.

100% of children surveyed enjoy the time at Honeypot

100% of children surveyed feel that the support from Honeypot is amazing.

78% of the children felt a lot happier and a lot less stressed after a break.

QUOTES FROM HONEYPOT CHILDREN

"Thank you for giving me the holiday of a lifetime."

Leo, aged 9

"I really enjoyed my visit to Honeypot this year. My favourite part was when we did Honeypot's Got Talent."

Grace, aged 11

"I had an amazing time and was very sad when it was time to go."

Sarah, aged 9

"One thing I did not miss on my holiday was the boys."

Milly, aged 7



SURVEYING PARENTS

Parents were asked to give both their thoughts on Honeypot's services, as well as any changes they had observed in the behaviour of their children following a respite break.

87% of parents feel that the support their child gets from Honeypot is highly positive and highly worthwhile.

Fundraising Strategy: Delivering Stable and Sustainable Income

Honeypot achieved another strong year of generating income. By focussing intensely on our five-year fundraising strategic goals £874,000 was raised in the six months to Sept 2019 without relying on income from the Honeypot Party. The key strategy underpinning our fundraising success is summarised below:

SECURING MULTI-YEAR GRANTS from Trusts and Foundations for the long-term strategic growth and development of Honeypot's services. Trusts and Foundations contributed £180,000 of total income. This was achieved by Honeypot consistently delivering clear

and measurable service outputs agreed with funders and transformational outcomes that positively impacted upon the needs of young carers.

EMBRACING LARGE NATIONAL PARTNERSHIPS WITH CORPORATES

With the general rise in awareness in society of the social deprivation and hardship young carers experience Honeypot was chosen by a significantly larger number of organisations with Corporate Social Responsibility programmes. All these partnerships delivered great value for young carers, and one stands out, namely Bank of America. Corporate Partnerships raised £260,000 in the six months to Sept 2019. The Bank of America partnership concludes at the end of the year and Honeypot has been spreading the risk of not securing a single large corporate partnership by developing a cadre of smaller corporate partnerships.

DEVELOPING LOW-COST LOW RISK FUNDRAISING CAMPAIGNS

Honeypot worked hard to bring fundraising costs down by moving from hard copy glossy newsletters to low-cost digital e-newsletters, appeals and social media postings to communicate with its funders. Fewer fundraising events were run, ensuring those that were held produced a strong return on investment.

DEVELOPING FUNDRAISING THAT REFLECTED SERVICE DEVELOPMENT

As Honeypot's services developed over the past year to address a wider range of needs of young carers fundraising increased too. Donations and Grants were received to support: respite breaks for young carers from stressful caring duties, early educational intervention, alleviation of poverty, promoting social inclusion, beating bullying, and alleviating poor mental health.

NEVER LOSING SIGHT OF HONEYPOT'S CHARM AND APPEAL

Thousands of donors have given to Honeypot as they see the tangible benefit of bringing fun and laughter into a young person's life. We have never lost sight of our mission of ensuring that each child has their one chance at childhood where they make lasting memories to cherish for many years to come.

THE POWER AND IMPORTANCE OF MANY SMALL CONTRIBUTORS

The importance of the giving of small contributors cannot be underestimated and many of Honeypot's services would not continue without the generosity of community organisations, clubs, societies, schools, and individuals. Community Fundraising raised £140,000 in this six-month

period. Support from communities and organisations in and around the New Forest, South-East, South Coast, Mid-Wales and Greater London performed particularly strongly, and we saw support from other areas of the UK coming through too.

FUNDRAISING FOR THE FUTURE

Going forward, Honeypot will enter its third year of its five- year Income and Communications Strategy of focussing on achieving financial stability and sustainability to meet the needs of our growing range and level of service provision. This we will continue to do by attracting multi-year grants from Trusts and Foundations, developing meaningful and lasting corporate partnerships, building community support through engaging events and communications, undertaking low-cost digital fundraising and measuring the growing impact of Honeypot's services on alleviating the challenges and disadvantages faced by young carers so that we can present the evidence to supporters.

OUR FUNDRAISING PRACTICES

The Honeypot Children's Charity does not use third party street collectors nor fundraising agencies. All our fundraisers are either members of the Institute of Fundraising or are fully compliant with the Institute of Fundraising's Code of Best Practice. Honeypot is registered with The Fundraising Regulator and complies with the Regulator's Code of Fundraising Practice and Complaints process. There have been no complaints regarding fundraising in the past 12 months and none pending. Volunteers receive a comprehensive induction programme and are supported throughout by members of the fundraising department. All direct marketing is undertaken in accordance with the Data Protection Act 2018 and GDPR.



than in the general population of young children and economic deprivation. Honeypot has been working to develop its service model to rapidly and effectively meet more of these needs.

PROVIDING A UNIQUE SERVICE OFFERING that is not offered by any other organisation. Honeypot not only provides a unique package of interlocking support services for young carers; we also provide it in a unique and unparalleled way, through incomparably high-quality respite houses set in 7 acres of breath-taking countryside. Our programmes are delivered by highly trained and dedicated staff on a one adult to four children ratio, to a carefully matched cohort of children where each group is tailored to the personal challenges of the children within that group.

Future Developments

Plans for Continuing to Develop an Enhanced Support Service Model for Young Carers:

Honeypot has been enhancing its service model over the past 24 months, by adding new, exciting services, and developing and reconfiguring existing core services. Below is a summary of the key features of Honeypot's enhanced support service model:

EARLY INTERVENTION to prevent social and emotional challenges that often arise in young carers lives becoming deep rooted and harder to redress later in life.

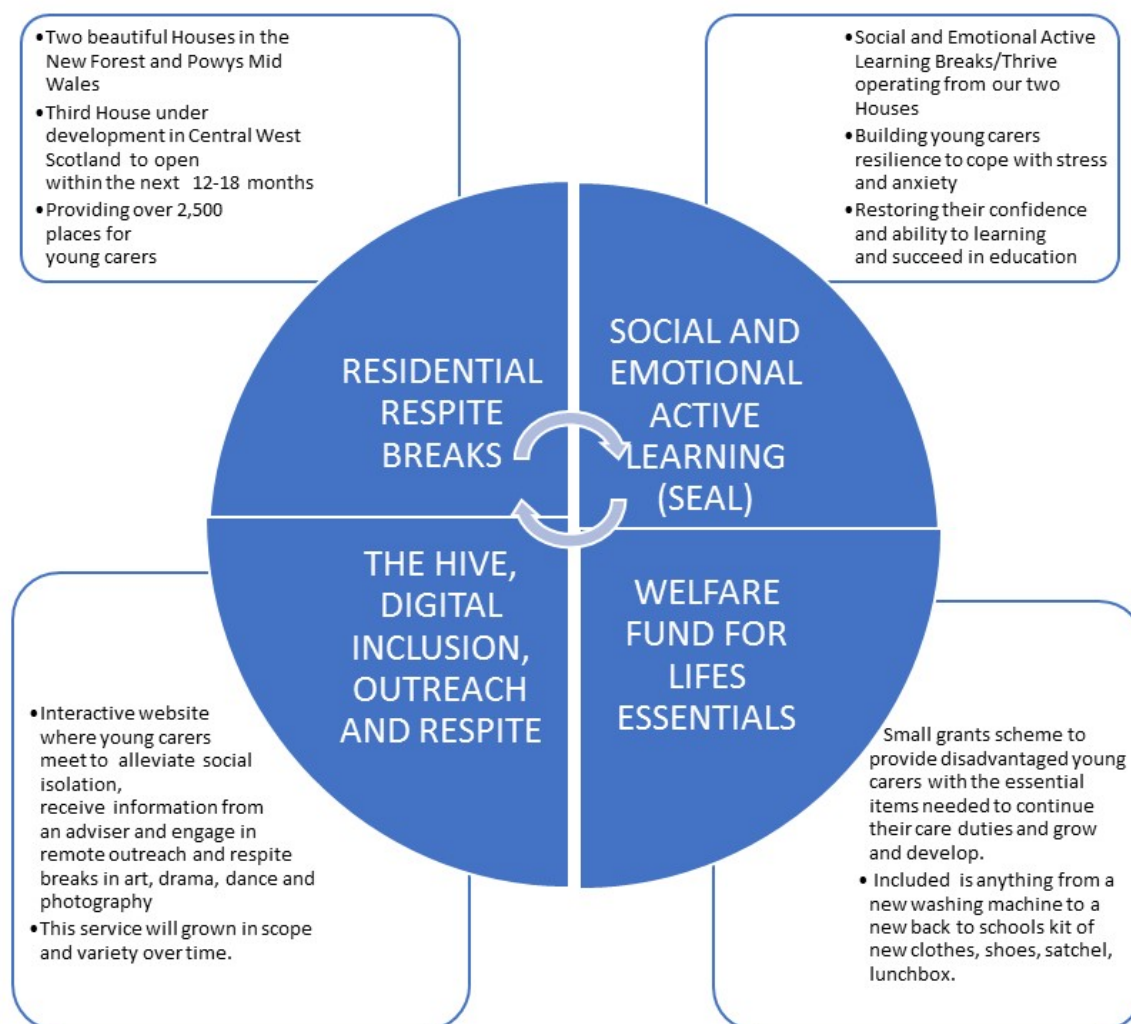
CONTINUOUS SUPPORT FOR CHILDREN between the age of 5 and 12 on an annual recurring cycle for up to 8 years, depending on the age a child is first referred to Honeypot.

EMBEDDING HONEYPOT WITHIN THE CHILDREN'S WELFARE NETWORK of referring organisations to ensure that most needy children are referred to Honeypot. Honeypot works with 260 referring organisations, including Social Work departments, local authority child welfare hubs, school welfare officers and Head Teachers and the medical profession.

EXTENDING THE BREADTH AND DEPTH OF OUR SUPPORT SERVICES provided to young carers, to meet their needs more fully. Young carers experience high levels of stress and anxiety, severe social isolation, educational underachievement, low self-esteem and poor confidence, substantially higher level of bullying

PLEASE SEE THE NEXT PAGE FOR A REPRESENTATION OF HONEYPOT'S ENHANCED SERVICE MODEL.

THE HONEYPOT CHILDREN'S CHARITY'S ENHANCED SUPPORT SERVICE MODEL 2020 AND BEYOND



Financial Review

The overall gross income of the charity was £878,928 for the 6 months of activity in the period ended 30th September 2019, that is reported in the year to 31 March 2020; (31 March 2019: £1,902,027). The largest element was voluntary fundraising, with £834,312 being received in this way, and out of this the largest component was corporate donations providing £460,000. A special thank you goes out to the Bank of America and its staff for really fantastic fundraising during this period.

The gross reported expenditure of the charity was £887,669 for the six-month period (2019: £1,720,272). Charitable spend in the year rose slightly to 72.5 pence in the pound (2019: 71p).

INCORPORATION

This was affected on 30 September 2019 and all assets and liabilities were transferred to the new CIO on Sept 30th, 2019. The new CIO is registered with the charity commission under the registration number of 1184132. Staff were TUPE'd over to the new CIO. All remaining funds were transferred out of the charity at 30 September 2019 so that a nil balance remains.

RESERVES POLICY

At the point of the transfer of all funds from the charitable trust to the CIO (30 September 2019) unrestricted general funds stood at £281,571 and operational restricted funds stand at £412,695 giving a total for operating funds of £694,266 (2019: £661,851) or 4.6 months (2019: 4.6 months). Other restricted funds stood at £786,888.

In addition to unrestricted general funds, the trustees had designated funds for the following purposes:

Fixed Asset Fund:	760,614
Third Honeypot House Fund:	32,448
Continuing Operations Fund:	30,000
£	823,062

These were duly transferred out at 30 September 2019.

Reference and Administrative Details

The Trustees present their report along with the financial statements of the charity for the year ended 31 March 2020 (of which there was 6 months activity to 30 September 2019).

The Honeypot Children's Charity is registered with the Charity Commission under registration number 1011672 and is governed by a Board of Trustees.

Statement of Trustees Responsibilities

The Trustees are required under the Charities Act 2011 to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- (a) *Select suitable accounting policies and apply them consistently*
- (b) *Make judgments and estimates that are reasonable and prudent*
- (c) *State whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements*
- (d) *Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation*

The Trustees are responsible for keeping accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with applicable law and regulations. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Structure, Governance and Management

The Honeypot Children's Charity is constituted by a Deed of Trust dated 13th April 1992, as amended by Supplemental Deeds dated 11th March 1996; 1st December 1999; 7th September 2006, 29th March 2007 and 16th February 2010.

The Board of Trustees is governed by the Deed of Trust, and Trustees are responsible for controlling the management and administration of the Charity. The Deed of Trust limits the number of Trustees to between three and twelve. Recruitment and selection of potential Trustees is performed by current Trustees and the Chairman. Once appointed, the Trustee is presented with a New Trustees' pack that outlines the policies and procedures of the Charity and the Trustees' specific responsibilities. The Induction process also includes a visit to one of the Honeypot Houses.

Full Board of Trustees meetings are held four times a year to review and agree major areas of policy. The agenda for these meetings also addresses performance, budgets, future strategy and risk management.

Responsibility for reviewing key areas of activity and policy are delegated to sub-committees that report back to the trustees' meetings. The sub-committees operate within specific terms of reference agreed by the Board and include specialist co-opted members as well as Trustees. The day-to-day running of the charity is delegated to the Chief Executive and the Senior Leadership Team.

The Current Sub-Committees are:

POLICY: The Children Services Sub-Committee has responsibility for ensuring that the Honeypot Service is achieving the strategy of the Board of Trustees while adhering to current legislation trainees. The committee oversees the management of Health and Safety and other operational risk factors.

FINANCE: The Finance and Administration Sub-Committee is principally concerned with overseeing the financial well-being of the charity and its ability to deliver the strategy laid down by the Trustees. The sub-committee is responsible for ensuring that internal and external controls are in place and effective in meeting current legislation, propriety and risk management.

INCOME: The Fundraising Sub-Committee is responsible for the review and delivery of the Fundraising activities to ensure that the operations of the charity can be achieved.

Risk Policy

We actively review the major risks, which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with a periodic review of fundraising activities and the financial system controls, will provide sufficient resources in the event of adverse conditions. A risk register is maintained, and we consider carefully the four major areas that the charity deems itself to be at risk: Charity Governance and Direction, Financial, Adults and Children and Premises and Property.

Public Benefit

Our charitable activities at present support children residing in London, the South-East, the South-West, the West Midlands, Wales and North-West of England. When planning activities for the year, the trustees have considered the Charity Commission's guidance on public benefit, and in particular, the specific guidance for the relief of those in need by reason of financial hardship or other disadvantage. We are actively making plans to open a third house in Scotland in the next 18-24 months.

Auditors

On 7 September 2020 Group Audit Services Limited trading as Wilkins Kennedy Audit Services changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

Approval

This report was approved by the Trustees on 22 Dec 2020 and signed on their behalf by:



CASPAR MACDONALD-HALL
CHAIRMAN OF THE BOARD OF TRUSTEES

Independent auditor's report to the trustees of The Honeypot Children's Charity

Opinion

We have audited the financial statements of The Honeypot Children's Charity (the 'charity') for the year ended 31st March 2020 which comprise the Statement of Financial Activities, Balance Sheet and the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31st March 2020 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Statutory Auditor

Secure House

Lulworth Close

Chandler's Ford

Southampton

SO53 3TL

Azets Audit Services

28 January 2021

Azets Audit Services is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.



The Honey Pot Children's Charity

Financial Statements

For the period ended

31 March 2020

Statement of Financial Activities

For the Year Ended 31st March 2020

		Unrestricted	Restricted	Totals 2020 31-Mar*	Totals 2019 31-Mar
		£	£	£	£
Income					
Donations and legacies	2	388,757	445,555	834,312	1,298,495
Other trading activities	3	40,416	-	40,416	583,519
Income from investments	2	2,397	-	2,397	6,536
Income from charitable activities	2	1,803	-	1,803	13,477
Total Income & Endowments		433,373	445,555	878,928	1,902,027
Expenditure					
Expenditure on raising funds	3	244,190	-	244,190	504,104
Expenditure on charitable activities	4	381,814	261,665	643,479	1,216,168
					-
Total Expenditure		626,004	261,665	887,669	1,720,272
Net surplus/(deficit) for the period		(192,631)	183,890	(8,741)	181,755
Transfer to The Honeypot Children's Charity CIO		(1,104,633)	(1,199,583)	(2,304,216)	-
Net movement in Funds		(1,297,264)	(1,015,693)	(2,312,957)	181,755
Fund Balances Brought Forward at 1 April 2019		1,297,264	1,015,693	2,312,957	2,131,202
Fund Balances Carried Forward at 31st March 2020		-	-	-	2,312,957

* On 30 September 2019, the funds and activities of the charity were transferred to The Honeypot Children's Charity CIO. Therefore, the above figures for the year end 31 March 2020 reflect only 6 months of operating results for the period to 30 September 2019.

There were no recognised gains or losses other than those included in the Statement of Financial Activities.

Balance Sheet
As at 31st March 2020

	Notes	2020 £ 31-Mar	2019 £ 31-Mar
Fixed assets			
Tangible assets	8	-	1,345,575
Investments	9	-	2
		-	1,345,577
Current assets			
Debtors	10	-	269,712
Short term deposits		-	593,563
Cash at bank and in hand		-	258,455
		-	1,121,730
Creditors: amounts falling due within one year	11	-	(154,350)
Net Current Assets		-	967,380
Total assets less current liabilities		-	2,312,957
Net Assets		-	2,312,957

The Funds of the charity:

Unrestricted funds

General Funds	17	-	463,194
Designated funds	17	-	834,070
		-	1,297,264

Restricted funds	18	-	1,015,693
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Total Charity Funds		-	2,312,957
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The assets and liabilities of the charity as at 30 September 2019 were transferred to The Honeypot Children's Charity CIO. These were as follows:

	£
Fixed assets	1,402,848
Current assets	1,000,492
Current liabilities	(99,124)
Net assets transferred	2,304,216

The financial statements on pages 14-26 were approved by the Board of Trustees on 22 Dec 2020 and signed on their behalf by:



.....
 Caspar MacDonald Hall
 (Chairman)

Statement of Cash Flows

For the Year Ended 31st March 2020

		Total Funds	Total Funds
		2020	2019
		31-Mar	31-Mar
		£	£
	<u>Note</u>		
Net cash (used)/provided by operating activities	15	135,273	123,188
Cash flows from investing activities:			
Interest income		2,397	6,536
Fixed Asset Additions		(90,073)	(252,780)
Net cash provided / (used) by investing activities		<u>(87,676)</u>	<u>(246,244)</u>
Transfer of funds to The Honeypot Children's Charity CIO		(899,615)	
Increase (decrease) in cash and cash equivalents in the year		(852,018)	(123,056)
Cash and cash equivalents at the beginning of the year		852,018	975,074
Cash and cash equivalents at the end of the year		-	852,018

On 30 September 2019 the funds and activities of the charity were transferred to the Honeypot Children's Charity.

The total amount of cash transferred out was £899,615.

Notes to the Financial Statements

For the Year Ended 31st March 2020

1. Accounting Policies

1.1 Basis of Preparation and Going Concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102.

On the 30 September 2019, the assets and liabilities of The Honey Pot Children's Charity were transferred to The Honey Pot Children's Charity CIO. All activities are now carried out by the CIO.

1.2 Fund Accounting

General Funds are unrestricted and available for use, at the discretion of the Trustees, in furtherance of the general objectives of the charity, but have not been designated for other purposes.

Designated Funds are unrestricted funds but have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the Financial Statements.

Restricted Funds are funds which will be used in accordance with specific restrictions imposed by donors or have been raised by the charity for particular purposes. Expenditure that meets the criteria is charged to the fund. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

1.3 Incoming Resources

Donation and legacy income is received by way of donations and gifts and is included in full in the Statement of Financial Activities, when receivable.

For legacies, entitlement is taken as the earlier of the date on which either : the charity is aware that the probate has been granted , the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received by the estate.

Grants and other income are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other trading activities comprises of amounts receivable from specific events held during the year inclusive of gift aid tax repayment claims.

Income from investments includes bank interest receivable during the year.

No amounts are included in the Financial Statements for services donated by volunteers. Other gifts in kind are recognised at a reasonable estimate of their value to the charity.

Accrued income is recognised where it is probable that entitlement exists, subject to any conditions of receipt.

Income from charitable activities relates to monetary contributions towards attendance on the playbus and use of the houses in Hampshire and Wales. They are recorded as received.

Notes to the Financial Statements

For the Year Ended 31st March 2020

1. Accounting Policies (Contd.)

1.4 Resources Expended

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts. Expenditure on raising funds include the costs incurred in generating donation and legacy income and fundraising costs. These costs are regarded as necessary to generate funds that are needed to finance charitable activities.

Charitable activities expenditure enables the charity to meet its charitable aims and objectives.

Support costs are those costs which enable fund generating and charitable activities to be undertaken. These costs include Central Premises costs and Central Management costs such as finance, administration and human resources. These costs have been apportioned on a basis of time spent on each of the direct activities.

Resources expended include attributable VAT which cannot be recovered.

1.5 Tangible Fixed Assets

Tangible Fixed Assets costing more than £1,000, and computer equipment, are capitalised and included at cost. Depreciation is applied to all Tangible Fixed Assets with the exception of freehold land (due to the fact that it shouldn't normally depreciate) and is calculated in order to write off the cost less estimated residual value over their expected useful lives as follows:-

Freehold Land	Nil
Freehold Buildings	2% Straight Line
Fixtures and Fittings	20% Straight Line
Equipment	25% Straight Line
Motor Vehicles	25% Reducing Balance

£100,000 each on the house in Hampshire and the one in Wales are deemed to be the freehold land element which is not charged depreciation. Donated Assets are capitalised at the value of the cost to the donor or if not new, at the current market value. The value of the donation is credited to the Statement of Financial Activities.

1.6 Operating Leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

1.7 Consolidation

The results of the Charity's trading Company have not been consolidated on a line by line basis due to the insignificant level of activity. Any trading profit donated by way of a gift aid is included in income from investments.

1.8 Pensions

The Charity makes payments to a defined contribution scheme on behalf of employees. The contributions are treated as an expense in the year. The charity commenced its staging date for auto-enrol purposes on 1st October 2015. The contribution by employees is 3% and by the employer 5%.

1.9 Short term investments

Short term investments are held to seek a return on low risk cash deposit bank accounts.

Notes to the Financial Statements

For For the Year Ended 31st March 2020

1. Accounting Policies (Contd.)

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Year Ended 31st March 2020

2 Income

	2020	2019
	£	£
	31-Mar*	31-Mar
Trust & Grants	180,113	502,411
Corporate Donations	460,186	398,486
Individual Donations	93,221	237,749
Community Fundraising	100,792	159,849
Total donation and legacy income	834,312	1,298,495
Interest receivable on deposit bank accounts	2,397	6,536
Total income from investments	2,397	6,536
Other contributions	1,803	12,818
Contributions towards Playbus		659
Total income from charitable activities	1,803	13,477

* The amounts for the year ended 31 March 2020 reflect only 6 months of incoming funds for the period to 30 September 2019.

3 Expenditure on raising funds

	Activities undertaken directly	Support Costs	2020	2019
	£	£	£	£
			31-Mar*	31-Mar
Donation and legacy income	834,312	-	834,312	1,298,495
Cost of generating donation and legacy income	(146,104)	(46,419)	(192,523)	(326,167)
Net donation and legacy income	688,208	(46,419)	641,789	972,328
Other trading activities income	40,416	-	40,416	583,519
Cost of generating trading activity income	(28,458)	(23,209)	(51,667)	(177,937)
Net fundraising events and hire of facilities income	11,958	(23,209)	(11,251)	405,582
Total fundraised income	874,728	-	874,728	1,882,014
Total costs on raising income	(174,562)	(69,628)	(244,190)	(504,104)
Net donation, legacy & fundraising income	700,166	(69,628)	630,538	1,377,910

* The amounts for the year ended 31 March 2020 reflect only 6 months of expenditure for the period to 30 September 2019.

Notes to the Financial Statements

For the Year Ended 31st March 2020

4 Expenditure on charitable activities

	Activities undertaken directly £	Support Costs £	2020 £ 31-Mar	2019 £ 31-Mar
Respite Breaks and Repeat Weekends	468,997	157,592	626,589	1,130,957
Honeypot Outreach	12,016	4,874	16,890	85,211
Total Charitable Expenditure	481,013	162,466	643,479	1,216,168

* The amounts for the year ended 31 March 2020 reflect only 6 months of expenditure for the period to 30 September 2019.

During the year ended 31st March 2020, there was £261,664 of restricted charitable expenditure (2019: £206,794).

A Child's journey with Honeypot begins with an initial Respite Break at The Honeypot House in Hampshire (two nights, three days) followed by a programme of long-term support which includes annual Repeat Weekend Breaks until the child reaches the age of Twelve.

The outreach sessions are memory making days with visits to theme parks, aquariums, museums and local adventure parks.

5 Analysis of support costs

For year ended 31 March 2020	Total £	Fundraising: Donation and legacy £	Fundraising: Events £	Charitable Activities £
Finance, audit & payroll costs	55,283	11,057	5,528	38,698
Executive and professional costs	115,206	23,041	11,521	80,644
Premises & IT costs	36,630	7,326	3,663	25,641
Other office support costs	24,975	4,995	2,497	17,483
Total Support Costs	232,094	46,419	23,209	162,466

* The amounts for the year ended 31 March 2020 reflect only 6 months of support costs for the period to 30 September 2019.

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2020 £ 31-Mar*	2019 £ 31-Mar
Wages and salaries	536,158	970,439
Social security costs	47,891	82,041
Agency costs	-	630
Pension costs (money purchase scheme)	20,572	35,148
Total Staff Costs	604,621	1,088,258

* The amounts for the year ended 31 March 2020 reflect only 6 months of staff costs for the period to 30 September 2019.

In the 6 months of activity to the 30 September 2019 no employee received emoluments in excess of £60,000 (year ended 31 March 2019: one employee received emoluments in excess of £110,000).

The Leadership team comprises of the Chief Executive, the Director of Income and Communications, the Director of Operations and the Director of Finance. Total benefits paid in the 6 months of activity to the 30 September 2019 were £145,220 (2019: £264,310).

Trustees' remuneration

The Trustees neither received nor waived any emoluments during the year.

Trustee travel expenses during the year were £Nil (2019: £Nil).

Notes to the Financial Statements

For the Year Ended 31st March 2020

7 Staff numbers

The average number of employees analysed by function was:

	2020	2020	2019	2019
	30-Sep	30-Sep	31-Mar	31-Mar
	Full-time	Part-time	Full-time	Part-time
Charitable Activities	8	43	8	30
Cost of generating funds	10	1	10	1
Management and administration	1	3	2	3
Total number of Employees	19	47	20	34

On 30 September 2019, all employees were transferred to The Honeypot Children's Charity CIO by TUPE.

8 Tangible fixed assets

	Freehold Land & Buildings	Fixtures & Fittings	Equipment	Motor Vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2019	1,490,955	309,010	231,414	147,899	2,179,278
Additions	19,405	37,401	2,934	30,333	90,073
Disposals	-	-	(1,155)	-	(1,155)
Transfer to CIO on 30 September 2019	(1,510,360)	(346,411)	(233,193)	(178,232)	(2,268,196)
At 31 March 2020	-	-	-	-	-
Depreciation					
At 1 April 2019	221,575	277,859	213,204	121,066	833,704
Charge for the year	13,030	8,539	4,523	6,368	32,460
Eliminated on Disposal	-	-	(814)	-	(814)
Transfer to CIO on 30 September 2019	(234,605)	(286,398)	(216,913)	(127,434)	(865,350)
At 31 March 2020	-	-	-	-	-
Net book value					
At 31 March 2020	-	-	-	-	-
At 31 March 2019	1,269,380	31,151	18,210	26,833	1,345,574

9 Fixed asset investments

	2020	2019
	31-Mar	31-Mar
	£	£
Unquoted UK investments at cost	2	2
Transfer to CIO on 30 September 2019	(2)	-
At 31 March 2020	-	2

The unquoted fixed asset investment comprises 100% of the issued share capital of Honeypot Trading Limited, the trading arm of the charity, company number 03806058. All taxable profits are transferred to the charity.

There was no trading by the company during the year.

On 30th September 2019, ownership passed to The Honeypot Children's Charity CIO.

Notes to the Financial Statements

For the Year Ended 31st March 2020

10 Debtors and prepayments

	2020	2019
	£	£
	31-Mar	31-Mar
Trade Debtors	-	75,700
Accrued Income	-	132,948
Tax repayment claim	-	9,629
Deposits	-	17,128
Prepayments	-	34,307
Debtors: amounts falling due within one year	-	269,712

11 Creditors: amounts falling due within one year

	2020	2019
	£	£
	31-Mar	31-Mar
Trade Creditors	-	44,979
PAYE & National Insurance	-	24,060
Other Creditors	-	8,861
Accruals	-	65,677
Deferred Income	-	10,773
Creditors: amounts falling due within one year	-	154,350

12 Deferred income

Deferred income comprises of advance sponsorship donations received in year relating to the 2019 London Marathon , which took place on 28th April 2019, and sponsorship towards the London Comedy Night, held on 9th April 2019.

	£
Balance as at 1st April 2019	10,773
Amount released in year (2019 London Marathon & London Comedy Night)	(10,773)

Balance as at 31 March 2020	-
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Notes to the Financial Statements

For the Year Ended 31st March 2020

13 Operating lease commitments

The charity had commitments under a non-cancellable operating lease on land, buildings and motor vehicles as follows:

	2020	2019
	£	£
Expiry date:	31-Mar	31-Mar
Expiry within 1 year	-	81,031
Between 2-5 years	-	198,869

Total lease commitments	-	279,900
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The total spent in the year on operating leases was £35,240 (2019: £60,733).

14 Analysis of net assets between Funds

	Restricted Funds	Designated Funds	General Funds	Total Funds
	£	£	£	£
Fund balances at 31 March 2020 are represented by:				
Tangible fixed assets	-	-	-	-
Investments	-	-	-	-
Current assets	-	-	-	-
Current liabilities	-	-	-	-
Total Funds	-	-	-	-

15 Reconciliation of net movement in funds to net cash flow from operating activities

	2020	2019
	£	£
	31-Mar	31-Mar
Net movement in funds	(8,741)	181,755
Add back depreciation charge and loss on disposal	32,802	64,545
Deduct investment income	(2,397)	(6,536)
Decrease /(increase) in debtors	168,835	(149,710)
(Decrease)/increase in creditors	(55,226)	33,134
Net cash used in operating activities	135,273	123,188

16 Analysis of change in net debt

	2019		2020
	£		£
	31-Mar	Cashflows	31-Mar
Cash and cash equivalents	852,018	(852,018)	-
Total changes in net debt	-	(852,018)	-

Notes to the Financial Statements

For the Year Ended 31st March 2020

17 Unrestricted Funds

	At 31 March 2019 £	Income £	Expenditure £	Transfer between funds £	Transfer to CIO £	At 31 March 2020 £
General Reserve	463,194	433,373	(626,004)	(4,832)	(265,731)	-
Designated Funds						
Fixed Asset Fund	771,622	-	-	4,832	(776,454)	-
Third Honeypot House Fund	32,448	-	-	-	(32,448)	-
Continuing Operations Fund	30,000	-	-	-	(30,000)	-
	834,070	-	-	4,832	(838,902)	-
Total Unrestricted Funds	1,297,264	433,373	(626,004)	-	(1,104,633)	-

The General Reserve represents the free funds of the charity, which are not designated for any particular purpose.

The Fixed Asset Fund has been set up to assist in identifying those funds that are not free funds and it represents the net book value of the tangible fixed assets except for those funded from the Honeypot House Fund and the Wales House Fund. The expenditure for the year relates to depreciation charged on those assets.

The Continuing Operations Fund has been set up to allow the charity to be able to maintain operations in the event of a disaster or unforeseen event occurring to the charity. The Fund acts as additional cover beyond the standard insurance covers, should it ever be needed.

The Third Honeypot House Fund has been set up to assist in identifying those funds that have been designated to aid the strategic goal of the charity, which is to reach more children through additional accommodation.

On 30 September 2019 the funds and activities of the charity were transferred to The Honeypot Children's Charity CIO.

18 Restricted funds

	At 31 March 2019 £	Income £	Expenditure £	Transfer between funds £	Transfer to CIO £	At 31 March 2020 £
House Respite & SEAL breaks	143,821	360,296	(174,752)	-	(329,365)	-
House Equipment	220,818	75,259	(8,585)	-	(287,492)	-
The Honeypot House Fund	364,639	435,555	(183,337)	-	(616,857)	-
Wales House (includes Welsh Playbus)	651,054	10,000	(78,328)	-	(582,726)	-
The Wales House Fund	651,054	10,000	(78,328)	-	(582,726)	-
Total Restricted funds	1,015,693	445,555	(261,665)	-	(1,199,583)	-

Notes to the Financial Statements

For the Year Ended 31st March 2020

18 Restricted funds(contd)

The Honeypot House Fund represents incoming and outgoing monies that have been received and spent in accordance with specific donor requests, relating to respite breaks and house equipment.

The Wales House Fund has been set up to furnish the new house in Wales, provide for the extensive refurbishment works required and underwrite the costs of the operation of the new Wales house over the first two years.

19 Pension contributions

The amount outstanding at the period end was £nil (2019: £8,861).

20 Related Party Transactions

The amount of charitable donations from Honeypot Trading Ltd, the 100% subsidiary, was £ nil.
(2019 : £ nil).

21 Control

The ultimate controlling parties are the Trustees listed in page 1.

22 Auditor's remuneration

The auditor's remuneration constituted an audit fee of £5,400 (2019: £7,200) and payroll bureau fees of £2,487 (2019: £4,158).